



April 2022-June 2022

Issue 17

CEFI NIUS



About Us



CEFI was established under the Association Inc. Act and officially launched on the 24th April 2013. CEFI is endorsed by PNG's National Executive Council (NEC) as the Industry apex organization for coordinating, advocating and monitoring all financial inclusion activities in PNG.

CEFI's vision, mission and values focus on financial inclusion and literacy, poverty elimination and the promotion of vibrant financial institutional operation in Papua New Guinea.

This newsletter is produced by the CEFI Communications and Stakeholder Mobilisation Team to update and report on developments CEFI is implementing through Financial Inclusion in Papua New Guinea.

If you have any comments or feedback, please send them to Leslie Omaro, lomaro@thecifi.org or call 322 5300.

Visit our website - www.thecifi.org

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Digicel Cell Moni reaching the unbanked through Digital Financial Services



Delivering financial services via brick and mortar bank branches is not a viable proposition in Papua New Guinea. Digital Financial Services (DFS) happens to be the best delivery channel through which basic banking services can reach the rural unbanked majority. However end users of financial services must be financially competent for such products to add value to their lives.

Hence, there is a greater need to focus on financial literacy in order to ensure that people use financial services to their best advantage, says Centre for Excellence in Financial Inclusion Ex-

ecutive Director Mr. Garima Tongia during the closing of the Training the Trainers Training for staff from Digicel Financial Services Ltd.

This is the second batch from Digicel Financial Services to undergo the ToT Training following the first batch in June.

“The pervasive low levels of financial literacy and competence constitute a key barrier to financial inclusion and exposes unsuspecting Papua New Guineans in particular low income households to the risks of exploitation by predatory financial service providers and a mismatch in household cash

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flow management,” Mr. Tongia said.

“While a number of financial institutions are delivering financial literacy to their clients, there is limited participation from other stakeholders such as schools, churches and NGOs.”

Mr. Tongia told the participants that undergoing the financial literacy ToT Training is hoped to improve their understanding of what entails in financial literacy.

“I have every confidence that you will take the skills and knowledge with you to your organization and that you become a champion of change in your work place and the community in which you live,” he added.

Head of Digicel Financial Services Ltd Mr. Emile Tuzayana thanked CEFI for the training adding the feedback from his team regarding the quality of training they received was excellent.

“The content of the training is very good, it is detailed and is appropriate for individuals, small business-operators, organisations like ourselves and others who wish to take stock of their money management habits,” Mr. Tuzayana said.

Mr. Tuzayana emphasised the importance of savings and budgeting and praised CEFI for teaching Papua New Guneans the basics of savings and budgeting.

“I want to thank you all for making time to attend this course and you Warden for delivering this module,” Mr. Tuzayana said. “I believe when you go back you will add value with your institution and your family and most importantly yourself as an individual.”

CEFI has trained over 1,200 trainers and have reached over 230,000 people financially literacy of which 47% were women with 80% having bank accounts.



This brochure introduces the Women's Finance Exchange or WFX, featuring testimonials from business owners and entrepreneurs who benefited from training session held in Papua New Guinea in 2021. Visit the <https://www.adb.org/publications/training-women-small-businesses-papua-new-guinea> and read the testimonials from three women who were among the participants of the training sessions held in 2021; CEFI Trainees MOALE VAGIKAPI - Certified Florist, CECILIA PEPSON - Transient Stay Business Owner, and MARY HANDEN - Solar Panel Entrepreneur.

NFA-CEFI work on baseline survey report



Fisheries Cooperatives in Papua New Guinea cannot expand to meet local demand and become profitable ventures if they are unable to have access to finance according to a baseline survey report by the National Fisheries Authority and the Centre of Excellence in Financial Inclusion.

Officers from National Fisheries Authority (NFA) and CEFI conducted a baseline study in the four regions of Papua New Guinea in an attempt to identify impediments hindering growth and success of the sector and the cooperatives involved and propose appropriate intervention measures to NFA.

Amongst the findings include lack of financial management skills, limited institutional strengthening and capacity constraints, limited or no access to information, no bank accounts, high bank charges and fees and stringent account opening requirements.

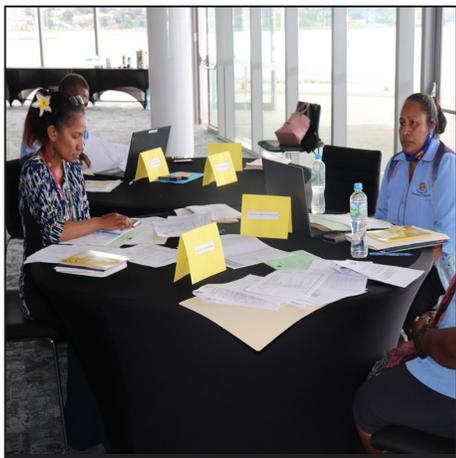
This was made known during a debrief meeting. Financial Inclusion Adviser Saliya Ranasinghe speaking on behalf of CEFI said CEFI as a partner in this exercise is happy to work with NFA to support this fisheries sector as it is also an important economic sector.

Mr. Ranasinghe said CEFI has a similar arrangement with the agriculture sector through the Market for Village Farmers Project and will draw from its experiences to support the fisheries sector looking at supply chains

“CEFI is looking forward to working with the fishing communities and changing the way they spend money and teach them the savings culture.”

“It’s going to be a challenge and we know it’s not going to happen overnight but we are confident that with NFA’s support we should be able to achieve this and we hope this partnership will bring a new dimension for both organizations,” Mr. Ranasinghe added.

Financial education a key tool for school curriculum



Essa Godua, Acting Senior Curriculum Officer –Business Studies from the Curriculum Development Division (CDD) of the Department of Education believes financial education is an important tool of the curriculum to help children to be financially literate when they leave schools.

Ms. Godua was part of a FESPNG (Financial Education for Schools in Papua New Guinea) Project Workplan and Budget Workshop in Port Moresby.

The one day workshop was attended by CDD members and officers from the Centre for Excellence in Financial Inclusion (CEFI).

“This workshop is an important workshop for developing the financial education curriculum content that are taught in schools in Papua New Guinea,” Ms. Godua said.

“We thank CEFI for partnering with the department of education through the curriculum development division in initiating and signing the MOU in 2021 for this very important activity to be introduced in the schools in the country,” Ms. Godua added.

The main objectives of the workshop were to develop the FESPNG four (4) year implementation Plan, Yearly Work Plans or Schedules and the four (4) Year Budget.

The outcome of the FESPNG Project is to develop Teachers Resource Book and Student Work Book, with the effective rollout to 48 piloted schools in the four regions of the country.

“Financial management, managing money, importance of money, investing money and planning for the future, are learnings that need to be aligned with the curriculum in order for students to be financially literate, starting from prep level to grade 12,” Ms. Godua explained.

She added that financial education is an important tool in the curriculum to help students to be financially literate when they leave school and to help them in managing money.

The financial educational initiative is to integrate financial education as a Relevant Needs-Based Curriculum (SBC), with the objective of educating school children about money management, income generation, saving and budgeting, investments and credit.

Women trainees challenged to empower communities



The Centre for Excellence in Financial Inclusion conducted its second Training of Trainers training with 20 participants.

The week long training covered savings and budgeting with important emphasis placed on training the participants about customizing the sessions according to the learners learning capacity. This skill is a vital skill that the participants need to master in order to simplify the sessions for better comprehension of the concepts taught.

The focus of the training was on teaching the trainees group based facilitation skills and adult learning principles. They were also taught techniques on how to deliver training to adult audiences.

CEFI Executive Director Mr. Garima Tongia when presenting the participants with their certificates at the closing ceremony highlighted the financial

inclusion journey and the financial landscape in the country saying that Papua New Guinea has come along way since we started this journey in 2013 in the financial inclusion space.

“I’m so impressed that you have done incredible well during the five days and thank you to your trainers as they did a very good job and I believe you will take home some very important skills, that will upskill you to grow your community, your family and in doing so, contribute to the growth in this country.”

Course participant Ms. Linda Kapani encouraged her fellow participants to share the knowledge they gained during the training when they go back home.

“I’m really grateful for the last five days because it’s an investment for

ourselves not an expense, we paid a fee to attend this training and I am grateful I will be taking away with me some important life skills,” Ms. Kapani said.



CEFI farewells Mr. Percy Larry

The Centre for Excellence in Financial Inclusion (CEFI) farewell one of its team members Percy Larry.

Mr. Larry was seconded from the Bank of Papua New Guinea to CEFI in 2013 when CEFI was established.

CEFI Executive Director Mr. Garima Tongia described Percy as a humble and hardworking individual.

“I believe it is the right time for him (Percy) to go, as he has served his time with CEFI and on behalf of CEFI, its board and management and staff, we would like to thank Percy for his contribution to CEFI over the years.”

“CEFI is an organization that we must be proud of, as it has built a brand name in the financial inclusion space and it is our duty as staff to maintain high stan-

dards and protect that image.”

Mr. Larry challenged CEFI staff to do their duty diligently and faithfully serve CEFI.

“I really enjoyed my time here at CEFI, I have become very close to everyone and we are almost like family, the bond and the unity is something I will surely miss.”

“I challenge everyone to be the best you can be and never give up on yourself as I always tell people to have a plan for your life professionally and personally.”

“I encourage all of you to be active in your prayer life and seek God in your life and wish you all the very best in your respective career,” Mr. Larry said.



How to successfully develop an MSME Finance Policy

By Jason Barrantes – former Chair of AFI SME Finance Working Group and SUGEF Costa Rica Supervisor for cooperatives and non-banking institutions and Nik Kamarun, AFI Senior Policy Manager, SME Finance

Micro, small and medium size enterprises (MSMEs) are the backbone of the world economy, consistently contributing to the gross domestic product (GDP) of many countries and regions. MSMEs account for more than 90 percent of businesses and more than 50 percent of employment around the world. MSMEs drive development, provide employment and contribute to reducing a gender gap and alleviating poverty and inequality. Despite of its importance, access to finance is one of the main challenges for MSMEs. As a response to these challenges, SMEFWG developed the MSME Finance Policy Model. Based on experiences of 62 member institutions from 59 countries, as well as more than 20 knowledge products that the working group developed since its inception in 2013, the policy model offers best practices from the network, which align with international standards

Leveraging on bottom-up approach, the MSME Finance Policy Model highlights policy guidance for different stages in establishing, developing, implementing, monitoring, and evaluating MSME finance policy. The policy model also helps regulators to revise their existing MSME finance framework(s) through the establishment of six basic pillars.

To read more go to the AFI Website <https://www.afi-global.org/newsroom/blogs/how-to-successfully-develop-an-msme-finance-policy/>

Banking and Finance Student Association (UPNG) thank CEFI for sponsorship



Third year Banking and Finance students of the University of Papua New Guinea thanked the Centre for Excellence in Financial Inclusion (CEFI) for sponsoring and supporting the association host a networking event during the year.

“Thank you (CEFI) for coming onboard to sponsor our banking and finance networking event. Normally we host the event every year but due to covid last year we held the event in April this year during our first semester.”

“The event was to create a network with potential employers and to allow its member students the opportunity to mingle with representatives from financial institutions attending the event and ask questions and seek answers from company representatives,” added Ms.Kuman.

“My executives and I are here to say thank you for the ongoing support from CEFI and to present this trophy as a token of our appreciation,” Ms. Kuman said.

CEFI Executive Director Mr.Garima

Tongia encouraged the Banking and Finance students to set their goals and study hard to achieve their goals in order to become successful men and women in their respective chosen careers.

“The banking and finance sector is an important and integral part of any economy and plays a fundamental of facilitating the financial intermediation process and its is good to know some of you will be driving this process in the years to come.

“Once you get out of university, you will come face to face with the real world and if you are lucky you will end up being employed by some of these institutions you are networking with.”

“CEFI values this relationship and going forward and we will continue to work with Banking and Finance students Association (of UPNG) in whatever capacity we can,” Mr. Tongia said.



MVFs partner financial institutions receive training in agriculture lending

Sixty-six participants from the Market for Village Farmers Project, partner financial institutions were trained on agriculture lending during an Agriculture Finance and Risk Management Training.

Participants were from MiBank, Bank South Pacific, Nambawan Savings and Loan Society, Nasfund Contributors Savings and Loan Society, Fresh Produce Development Authority, CEFI (Centre for Excellence in Financial In-

clusion), AFC (Agriculture and Finance Consultants) and RSF (Risk Sharing Facility-Bank of PNG).

The trainings were split into five groups and held between April and May in Port Moresby, Goroka (Eastern Highlands province), Kundiawa (Chimbu province) and Mt Hagen (Western Highlands province).

Participants were trained on, agriculture knowledge and agriculture value

chains, agriculture and agribusiness client’s needs, risk management in agribusiness lending, introduction of farmer’s loan application and introduction of farmer’s business plan.

Participants learned how to assess and deal with risks management, agriculture value chain lending and assessment of agriculture loans with individual farmers, familiarization with farmers loan applications and business plans as well as agriculture lending product features.



Q & A with MiBank's Chief Executive Officer Tony Westaway



Does MiBank have any new innovations that are currently been implemented throughout the country (PNG)? If Yes, can you briefly highlight a few and the implications it is having on your clients?

MiBank has a number of initiatives underway in the Digital Financial Services space at present. We are involved in the PNG STREIT Project in the East and West Sepik where we are partnering with UNCDF to create a cashless ecosystem through the extension of our Agent network and through the use of Mobile Money. MiBank has established 33 Agents across the two provinces and is currently onboarding customers such as Vanilla and Cocoa farmers. MiBank is also working in partnership with GSMA and a Vanilla

Buyer (Kamapim) in the Madang Province, where we are collecting data and trialing the use of credit scoring across a mobile application to approve small loans for vanilla growers.

MiBank is also undertaking concept testing in NCD, of mobile app for women SMEs. This project is being supported by ADB and CEFI who is providing the digital and financial literacy training for up to 60 women SMEs. We are also

working closely with USAID with the on-boarding accounts connected with a number of bio-diversity projects supported by the US Government. MiBank is also working with Digicel and is receiving direct transfers from Celmoni mobile wallets to MiBank accounts for both loan payments and savings.

How successful has MiBank been in setting up MiBank Agents throughout the country?

The extension of an Agent Network is critical in reaching 'the last mile' for Financial Inclusion. In remote areas where branches do not exist our customers can perform deposit and withdrawal transactions at our Agents using their mobile phones. This is called Mobile Money and the Bank accounts on their mobile

phones are called mobile wallets. We are targeting the on-boarding of more women Agents to make our female customers more comfortable.

What is the main reason behind setting up Mi Bank agents throughout the country and how many MiBank Agents have already been registered?

There are more than 200 Agents for MiBank operating throughout PNG. These agents can open Bank accounts and assist with deposit and withdrawal transactions. The setting up of Agents is part of our Branchless Banking strategy and is an optimum way that we seek to achieve broad financial inclusion and bank the unbanked or under-banked.

Does MiBank have any plans in the future to continue expanding and improving banking for its clients in the rural and urban communities?

More than 80% of our customers come from rural areas of Papua New Guinea. Many of these customers are farmers, rural dwellers, both informal sector people and micro entrepreneurs. Our mission is to bank people in remote communities and provide these citizens with access to formal financial services to assist them with their day to day lives, improve wealth creation, alleviate poverty, and contribute to national economic growth. We will continue to embrace this strategy.

Application to help women SME owners run business



The Centre for Excellence in Financial Inclusion facilitated a LedgerPal App training for women operating small business in Port Moresby.

The training was funded by the Asian Development Bank and implemented in partnership with MiBank and was run by CEFI Staff, Ane Ruruva and Milate Kauzi on different days during the month of July.

The purpose of the training was to practically train women SME owners to use the application on their android phones, to record their business transactions.

The main aim of the training was also to enable women to have their daily business transaction safely and accurately recorded online so the report gets registered with MiBank, and in the later stages (of the project) the financial details will inform Mibank whether the women are eligible to apply for a loan or not.

CEFI staff join Central Banking Officers Savings and Loan Society



Staff of CEFI were given the opportunity to join the Central Bank Officers Savings and Loan Society (CBOSLS). Chairman Mr. Wilson Jonathan and Team Leader Ms. Ila Ravu as part of CBOSLS membership drive visited CEFI and gave a presentation on

CBOSLS and at the end of the presentation assisted CEFI staff who wanted to join the loan society with their applications form.

“We are happy to be here as part of our membership drive to assist CEFI and RSF staff join CBOSLS and also increase our membership, said Ms. Ravu.

The presentation included, a brief history of the society, enabling law for society, objectives of the society, current directors and officers, products, current membership and asset, system and MIS used and membership eligibility.

CEFI’s Financial Inclusion Advis-

er Saliya Ranasinghe thanked the CBOSLS Team adding the presentation was informative and important for the CEFI staff to understand and know how to save with CBOSLS.

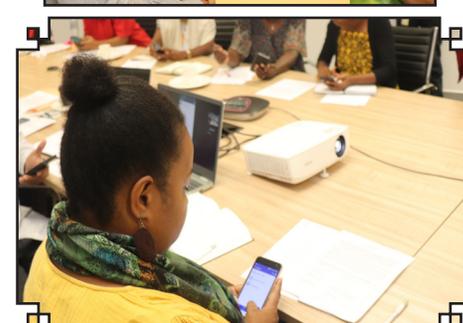
Mr. Saliya encouraged the CEFI Staff to be part of CBOSLS and start saving with the society.

CBOSLS was registered on 26 June 1965 and current membership is 499 since 2021 with employees from BPNG, CEFI, RSF, FESALOS and PNGIBBM forming the membership base.

Email cbclsstaff@bankpng.gov.pg.



Pictorial Highlights





LedgerPal App Training to assist Women in SME to run business.

“The app is easy to use and its user friendly and a good introduction into the SME space.” - Albertina Eharu Kobaru - Trainee



Forty-two year old Albertina Ehari Kobaru from Gulf province runs a training business called Deliberate Pathways PNG in Port Moresby. She was part of a group of women who attended a LedgerPal App Training. The LedgerPal App training is organized for selected women operating small businesses in Port Moresby and the program is funded by ADB, and implemented in partnership with MiBank.

The purpose of the training is to practically train women SME owners to use the application on their android phones, to record their business transactions. The main aim of the training is to enable women to have their daily business transaction safely and accurately recorded online so the report gets registered with MiBank, and in the later stages (of the project) the financial details will inform Mibank whether the women are eligible to apply for loan or not.

The LedgerPal Application Training for Women SME Owners was facilitated by CEFI.

Mrs Kobaru was very pleased with the training adding the app will assist SME women run their business efficiently and effectively.

How will this training assist you in your business?

Our focus now is providing training services to the rural population and the training we have is in soft skills and this are training in team building, work ethics and problem solving, those are sub skills that are essentials to enter into the public service or private sector or you know been self-employed.

The other training we specialize in is on economic tourism and management. We started in Milne Bay and Gulf particularly in the transition program where my team does an awareness on the opportunities we have and the interested participants from those rural areas pay a fee of K50.00 to attend the training. My team also gets the registered participants ready for the training by putting through a transition process where we assess their knowledge of tourism in their area.

Deliberate Pathways PNG has partnered with overseas organizations to enable young Papua New Guineans to work overseas in the tourism industry. Before our trainees depart for work on-board we make sure they are ready for the experience to work in a different country and environment so the transition training is important.

We will be approaching the Department of Higher Education Research, Science and Technology because they regulate training and we need their endorsement to go into top tourism spots in the country which are our pilot areas and carry out training.

This is a very good opportunity for my business as this will give young people the opportunity to apply their tourism skills in big countries in Europe, South America, the United States and Australia.

Is this the first time you are receiving training on the LedgerPal App?

Yes, I started using the application following the training and it's a really good experience.

I have used similar applications in my previous work especially in collecting data so I'm very familiar and will use the experience to use the LedgerPal App to its full advantage.

The LedgerPal App is easy to use, it's user friendlier and a good introduction into the SME space.



Financial Inclusion News

- Growth Platform empowers women and youth by granting access to finance
<https://www.afi-global.org/newsroom/blogs/growth-platform-empowers-women-and-youth-by-granting-access-to-finance/>
 - How to successfully develop an MSME finance policy
<https://www.afi-global.org/newsroom/blogs/how-to-successfully-develop-an-msme-finance-policy/>
 - Why green credit risk guarantee schemes are important for MSMEs
<https://www.findevgateway.org/paper/2022/04/central-bank-digital-currencies-new-tool-financial-inclusion-toolkit>
 - No small business: A segmented approach to better finance for micro and small enterprises
<https://www.findevgateway.org/paper/2022/07/no-small-business-segmented-approach-better-finance-micro-and-small-enterprises>
 - Call for session proposals for Financial Inclusion Week 2022
<https://www.findevgateway.org/news/call-session-proposals-financial-inclusion-week-2022>
 - Agent Gender matters
<https://www.findevgateway.org/blog/2022/08/agent-gender-matters>
 - From Humanitarian Assistance to Economic Resilience in Yemen
<https://www.findevgateway.org/blog/2022/08/humanitarian-assistance-economic-resilience-yemen>
 - From Humanitarian Assistance to Economic Resilience in Yemen
<https://www.findevgateway.org/blog/2022/08/humanitarian-assistance-economic-resilience-yemen>
- Strategis to Optimize MSME-Centred Supply Chain Finance Solutions: A study of Ghana, Ethiopia and Nigeria
<https://www.findevgateway.org/paper/2022/07/strategies-optimize-msme-centered-supply-chain-finance-solutions-study-ghana-ethiopia>